

oca 2822-88

COMMENT SHEET

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TO:

Office of Congressional Affairs

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FROM:

Compensation, Automation, and Planning/OP

SUBJECT: S. 2530, Federal Personnel Improvements Act of 1988

Subject bill has been reviewed by the Office of Personnel and our position is as follows:

☒ No objection.☐ Continue monitoring/OP interest.☒ No CIA equities.☐ Seek CIA exemption.☒ Advise OP when enacted.☒ Comments.

This bill includes two parts. Title I mandates up to 10 personnel demonstration programs using alternative compensation systems. Between one and five programs shall be designed and implemented by the head of an agency; four programs shall be developed and implemented within the Department of Defense; and one program shall be developed and implemented within the National Aeronautics and Space Administration. Each program shall cover not less than 5,000 full-time positions and no more than 25,000 full-time positions. The types of alternative compensation systems to be considered are almost identical to those proposed in H.R. 3132 (which replaced H.R. 386, the Federal Pay Management Act of 1987, for which we provided comments to OCA on 26 March 1987). Title II of the bill expands the special pay rate provisions, creates a recruitment and retention bonus program, and makes other changes designed to increase agency flexibility in managing their work force. Much of Title II has been drawn from S. 987/H.R. 2091, the Special Pay and Civil Service Improvements Act of 1987 (for which we provided comments to OCA on 23 June and 29 June 1987).

Similar to H.R. 3132, the Agency has been excluded from coverage under Title I of the bill. Similar to S. 987, the Agency arguably would not be covered by the amendments made by Title II to 5 USC 5303 because the Agency's

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pay system is not included within the definition of "statutory pay systems" in section 5301. However, proposed section 5303(b) states that "In addition to positions under the statutory pay systems, the authority conferred on [OPM] by section (a) may be exercised with respect to positions paid under any other system established by or under Federal statute for positions within the executive branch of the Government. This provision is not mandatory but discretionary, as demonstrated by the use of the word "may." This also does not preclude the Agency from doing something different or better. Further, we endorse the changes therein proposed. And lastly, such provision refers to the more than 60 other pay systems that exist within the Federal government, such as, the merit pay system, the prevailing rate system, the Postal Service system, the Government Printing Office system.

In conclusion, we have no objection to this bill.

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15 August 1988
Date

Name Signed